Center for Civil Communications
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Public Scrutiny of Public Procurement:

Case Studies

Issue No. 3





Tender for the procurement of 150 electric buses:
After two cancelled procedures, Hungary's Ikarus and China's Zhongtong suddenly went from being competitors to partners

€2.3 million Jackson sports hall:
20% limit for additional works exceeded multiple times through a new tender

Renovation of the football field in the village of Chegrane:
Football stadium on the tender, a patch of land with dried-out grass on the ground

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Introduction

Corruption in public procurement in North Macedonia continues to be a serious systemic problem that directly undermines the rule of law, erodes public trust in institutions, and leads to the irrational spending and misuse of public funds. Despite numerous declarations of commitment to fighting corruption, institutional practice has yet to demonstrate sufficient systemic and continuous progress in detecting, prosecuting, and sanctioning corrupt practices, particularly in the area of public procurement, which remains the most vulnerable sector according to national anti-corruption analyses.

Over the past few years, rather than consistently strengthening control and preventive mechanisms, processes have been noticed that further diminish the capacity for effective supervision and sanctioning of abuses in public procurement. The inadequate application of existing legal mechanisms creates an environment where corruption can persist and spread. It is particularly concerning that, despite the existence of multiple competent bodies tasked with preventing and sanctioning corruption, practice shows that responses are often slow, selective, or insufficiently effective to ensure genuine sanctioning of violations and effective prevention of future abuses. The importance of this issue stems from the fact that public procurement accounts for a significant portion of the state budget and spans all sectors of public spending, from healthcare and education to infrastructure and energy.

The Public Scrutiny of Public Procurement project analyzes specific cases of potentially unlawful tender procedures where the prudent management of public funds was not the primary concern. These cases are identified through an analysis of red flag findings used by the Public Procurement Bureau, research based on publicly available information, and consultations with citizens. Publicly presenting these cases aims not only to inform the public but also to exert greater pressure on institutions to take appropriate action towards sanctioning unlawful tenders, consistently applying legal provisions, and establishing higher standards of transparency, accountability and responsibility.

By making these specific tender cases public and submitting them to the competent institutions, the project seeks to help overcome persistent weaknesses in institutional responses, insufficient proactivity in detecting abuses, and limited efficiency in enforcing legal procedures within public procurement. This will contribute to strengthening the role of civil society, i.e. enabling the media and citizens to actively monitor the expenditure of public funds with the aim of reducing opportunities for political influence, abuse of office and corrupt practices in the public sector.

After two cancelled procedures, Hungary's Ikarus and China's Zhongtong suddenly went from being competitors to partners in the public procurement of 150 buses

(Ministry of Transport tenders for the procurement of electric buses and charging stations, with numbers: 10939/2025; 03055/2026 and 09534/2026)



- The tender for the procurement of electric buses was conducted three times over a period of 15 months. With each iteration, the participants, as well as their prices and offers became known, thereby reducing uncertainty and increasing the risk of coordination among the bidders.
- Hungary's Ikarus Electric Zrt and China's Zhongtong Bus Holding competed against each other in the second tender, but submitted a joint bid for the third which was ultimately selected as the most favorable. Their initial joint offer was €492,000 higher than Zhongtong's previous bid and €60,000 higher than Ikarus's (including VAT).
- In the final winning team, alongside the two group members, Ikarus[1] and China's bus manufacturer Zhongtong, EVN Macedonia, Elektrosnabduvanje Skopje acts as a subcontractor for the procurement of charging stations which will be manufactured by Sungrow Deutschland, a subsidiary of the Chinese company Sungrow Power Supply.
- The winners of the third tender did not offer the lowest price, they were selected after two lower-priced bids were rejected. The procurement is valued at €60 million, comprising €57 million for the buses and €3 million for the charging stations.
- The future buses will have a significantly lower capacity than the current PTC fleet. The new buses will accommodate a total of 66 passengers, 20 fewer than the buses most recently purchased by the City of Skopje and 30 fewer than those received from the EU.
- A total of six bidders participated in the three tenders. Only Zhongtong took part in all three procedures. Hungary's Ikarus and Turkey's BMC participated in the second and third tenders, while all other companies appeared only once. Ikarus emerged as the winner in two of the three tenders, participating through different entities of its own and with different Chinese partners. In the second tender, Ikarus participated via Electrobus Europe in partnership with the Chinese company CRRC, while in the third it participated via Ikarus Electric alongside China's Zhongtong[2].
- In the three successive procurement processes, two of which ended in cancellation, not only did the bidders change, but so did the tender conditions and the specifications for the electric buses and charging stations.
- The first tender involved the purchase of 120 electric buses and 60 charging stations, whereas the subsequent tenders called for 150 electric buses and 75 stations.
- The first tender required the buses to have a total capacity of 76 passengers, whereas in the second and third tenders this requirement was reduced to 66 passengers. The specifications regarding the doors and their opening mechanism were also modified.
- The required engine power in the first tender was 240/140 kW but was subsequently increased to 300/160 kW, while the charging connection power was reduced from 150 kW to 120 kW.

1 This information was obtained from CCC's presence at the bid opening and from the decision of the State Commission for Public Procurement Appeals regarding the appeal filed in tender procedure No. 09534/2026.

2 European Commission Notice 2021/C 91/01, section 5.6: a joint bid raises doubts for the contracting authority, particularly when the members of the group could easily have submitted a bid independently, or when they were expected to do so.

- In the third tender, the requirement for European homologation was supplemented with the phrase "or equivalent" without specifying what that entails. The Ministry of Transport failed to provide the requested documentation that would clarify whether the buses would possess European homologation or an alternative accepted as equivalent.
- The tender specifications were not aligned with the objectives of the EU Growth Plan, which advocates for reducing the application of the "lowest price" criterion and electronic auctions, as these practices risk compromising quality and creating conditions for collusion among bidders.
- None of the three tenders invoked Article 27 of the Law on Public Procurement which, in accordance with guidelines from the Public Procurement Bureau, allows contracting authorities to restrict the participation of companies from countries that are not signatories to the World Trade Organization's Agreement on Government Procurement or from countries that have not committed to opening their public procurement markets to economic operators. China is among such countries.
- By failing to provide the requested documents, including the analysis underlying the tender documentation and the reasons for its subsequent modification, the Ministry of Transport undermines the transparency of the procedure and prevents verification of the justification for changes made to a tender valued at €60 million.
- The combination of re-tendering, altered conditions, a shifting pool of bidders, and a lack of justification for the changes creates an increased risk of favoritism and restricted competition, thereby calling into question the principles of competition, equal treatment, and transparency from Article 3 of the Law on Public Procurement.

Ikarus won two tenders, each time with their own different company and with a different Chinese partner

The Ministry of Transport conducted three tender procedures for the procurement of electric buses and charging stations. The first two were cancelled, while the third resulted in the selection of a bid. The contract was signed on September 9, 2026, with Ikarus Electric Zrt as the lead member of a joint bid, based on a joint participation and cooperation agreement concluded between Ikarus Electric Zrt and Zhongtong Bus Holding. The Ministry did not publish the concluded contract within the statutory 10-day deadline, but rather 19 days after signing.

The three procedures differ in terms of scope, value, and the number of bids. Between the first and second procedures, the number of buses increased from 120 to 150, and the estimated value rose from 45 million to over 60 million euros (including VAT).

Overview of the three tender procedures

Notice number	10939/2025	03055/2026	09534/2026
Estimated value including VAT in euros	45,000,000	60,195,122	60,195,122
Buses	120	150	150
Charging stations	60	75	75
Opening of bids	July 24, 2025	April 6, 2026	July 6, 2026
Received bids	1	4	4
Outcome	**Cancelled**	**Cancelled**	**Contract concluded on September 9, 2026**

The notice for the first public procurement procedure (number 10939/2025) was published on June 17, 2025. The subject of this tender is the procurement of 120 electric buses and 60 charging stations. The estimated value of the tender is 2,345,338,983 denars excluding VAT, or €38.1 million.

Bidders were required to meet the following conditions:

- minimum annual revenue of 2,767,000,000 denars in the last 3 financial years (2022, 2023, and 2024 individually);
- at least one completed contract worth 2,767,000,000 denars for the delivery of electric buses within the last 10 years and
- at least one service facility, owned or leased, located within the territory of the Republic of North Macedonia, fully equipped in terms of technical resources and personnel to service electric buses and charging stations, and authorized by the manufacturer.
- spare parts: to maintain stock or ensure availability of spare parts for at least 10 years from the date of final receipt.

Regarding the vehicles, it is specified that they must be electrically powered (BEV - Battery Electric Vehicle or equivalent). They must feature an AC electric motor with a maximum power output of at least 240 kW and a nominal power of at least 140 kW with liquid cooling. The required seating capacity is at least 26 seats plus the driver's seat. The total passenger capacity

must be at least 76, with space for at least one wheelchair. The bus must have three inward-opening doors, including at least two double-leaf service doors equipped with an anti-pinch/anti-trap system for passenger entry and exit. The color of the buses is not specified.

The charging port was required to be a CCS Combo 2 type with a charging capacity of at least 150 kW, in accordance with the European connector standard or an equivalent.

Given that no further details regarding how all these parameters in the tender documentation were determined had been publicly released, in accordance with the Law on Free Access to Public Information a request was submitted to the Ministry of Transport on August 17, 2026 to provide the following information:

- The analysis based on which the number of buses, the number of chargers, the number of seats, the total number of passengers, the maximum speed of the buses, the power of the charger, the power of the engine and the mass were determined;
- The documentation for the guidelines received from PTC Skopje (the recipient of most of the buses) in terms of defining the technical specifications and other aspects of the public procurement;
- The calculations and the way in which the estimated value of the public procurement was determined, and
- The documentation for the conducted market research before the announcement of the tender (if it was carried out).

The Ministry failed to submit this data within the statutory 20-day deadline. A complaint regarding administrative silence was filed with the Agency for the Protection of the Right to Free Access to Public Information. On September 18, 2026, the Agency issued a decision upholding the complaint and ordered the Ministry of Transport to act on the request and provide the requested information. As of the publication of this investigation, the Ministry had not acted on the competent Agency's decision nor provided the requested information.

In this procedure, only one bid was received on the day of the bid opening, from Zhongtong Bus Holding CO LTD China. The Chinese company offered the buses at a unit price of €361,859 and the stations at a unit price of €11,282. Their total bid amounted to 2,298,432,203 denars excluding VAT, or 2,712,149,998 denars including VAT (€44 million). The Ministry of Transport decided to cancel the procedure, citing the bidder's failure to submit evidence of meeting the requirements for technical and professional capability.

On February 27, 2026, the Ministry of Transport published a new notice on the Electronic System for Public Procurement (ESPP) for the same public procurement (number 03055/2026), incorporating a significant number of changes to the tender documentation compared to the previous procedure.

The most significant change concerns the increase in the procurement volume: the number of electric buses has been raised from 120 to 150, while the number of charging stations has been increased from 60 to 75. The estimated value of the public procurement has been raised from 2,345,338,983 denars (€38,135,593) to 3,137,288,136 denars (€51,012,815).

Significant modifications have also been made regarding the requirements for technical and professional capability. Instead of the previous requirement for the bidder to have executed at least one contract worth 2,767,000,000 denars (€44,991,870) for the delivery of electric buses

within the last 10 years, the new documentation requires at least two executed contracts with a total value of 3,700,000,000 denars (€60,162,602) for the delivery of buses within the last three years. Thus, in addition to increasing the minimum total value, the timeframe for the execution of these contracts has significantly been shortened.

Expanding the experience requirement from "electric buses" to simply "buses" undoubtedly broadens the scope of potentially acceptable prior experience. However, these two categories are not entirely equivalent in terms of technical complexity. The production and delivery of electric buses entail specific expertise and capabilities related to high-voltage battery systems, electric powertrains, charging systems, software integration, and specialized servicing. Consequently, the question remains as to what analysis led the contracting authority to determine that general experience with "buses" is sufficiently relevant to demonstrate the capability to supply "electric buses".

Certain technical specifications regarding the buses and charging equipment have also been modified. Regarding the charging connector, the requirement for a CCS Combo 2 with a minimum power output of 150 kW has been reduced to a minimum of 120 kW. As for the passenger doors, the previous requirement specifying three inward-opening doors, including at least two double-leaf operational doors equipped with an anti-crushing/anti-trapping system for passenger entry and exit, has been amended. The new documentation permits a configuration with three inward-opening doors, or one inward-opening door and two inward-sliding doors, at least two of these must be double-leaf service doors equipped with an anti-pinch/anti-entrapment system.

There is also a change regarding bus capacity. The previous requirement for a minimum of 26 seats plus the driver's seat and a total capacity of at least 76 passengers, including at least one wheelchair space, has been replaced by a requirement for a minimum of 30 seats plus the driver's seat and a total capacity of at least 66 passengers, again including at least one wheelchair space.

An additional change to the technical specifications in the second procedure, which was subsequently retained in the third procedure, concerns the color of the vehicles. Unlike the first procedure which did not specify a color for the buses, the second and third procedures state: "Vehicle color: white or red".

This wording raises questions regarding the comparability of the bids. When a contracting authority procures 150 identical vehicles and uses price as the selection criterion, the technical specifications should define the subject matter upon which bidders base their pricing with sufficient precision in advance. By allowing each bidder to independently choose whether to offer white or red, the bidders may not be basing their prices on a fully identical vehicle configuration. Different colors can entail varying production costs, particularly if one is a standard factory color while the other requires additional processing or non-standard painting. Consequently, allowing a choice between white and red can influence the determination of the offered price and the overall comparability of the bids.

Changing technical specifications between successive procedures does not in itself constitute an irregularity, provided the changes stem from the actual and objective needs of the contracting authority. However, the Law on Public Procurement requires that technical specifications be clear, objective, relevant, and proportionate to the subject matter of the procurement, and that

they do not create unjustified restrictions on competition. When multiple functionally significant parameters are altered within a short period - such as capacity, seating capacity, engine power, charger output, and door configuration - it is particularly important to have an expert analysis demonstrating the specific operational or technical need driving each change.

Regarding regulatory requirements, the following are mandated: a CoC (Certificate of Conformity) accompanied by WVTA (Whole Vehicle Type Approval); vehicle approval in accordance with European Directive 2018/858; ISO 15118 (Road vehicles – Vehicle-to-Grid Communication Interface) or equivalent; ISO 14001 (Environmental management systems) or equivalent; and ISO 9001 (Quality management systems) or equivalent.

In all three procedures, the electric buses and charging stations are procured as a single, indivisible subject of procurement. The tender documentation merely states that "the subject of the procurement is indivisible," without further explanation regarding the reasons for this decision. However, under the Law on Public Procurement, when the subject matter of an open procedure is not divided into lots, the reasons for such indivisibility must be set out in the public procurement decision. Therefore, it is necessary to verify whether the public procurement decisions for the three procedures contain a specific justification as to why the buses and charging stations are being procured as a single unit.

This issue is particularly significant because the procurement encompasses two functionally distinct categories - electric buses and charging infrastructure. While their mutual compatibility might justify a joint procurement, this does not automatically mean the subject matter must be treated as indivisible. Compatibility can also be ensured through pre-established technical standards and requirements. Dividing the procurement into separate lots for buses and for charging stations could potentially enable broader participation by economic operators capable of supplying only one of the two components.

Therefore, the justification for indivisibility is important not merely as a formal legal requirement, but also to allow for an assessment of whether combining the buses and charging infrastructure into a single contract is objectively justified and how it impacts the level of competition.

The public has not received detailed information regarding the reasons for these amendments, nor has the Ministry provided the requested documents concerning this procedure:

- The calculations and the method used to determine the estimated value of the public procurement;
- The analysis underpinning the amendments to the tender documentation for procedure No. 10939/2025 regarding the number of buses, number of chargers, number of seats, total passenger capacity, maximum bus speed, charger power, engine power, vehicle mass, etc.;
- Documentation regarding the guidance, comments, or assessments received from PTC Skopje (the recipient of the majority of the buses) concerning the amendments made to the tender documentation for procedure No. 10939/2025;
- Minutes of the administrative check conducted by the Public Procurement Bureau;
- Minutes of the bid opening;
- Bids received from economic operators;
- Report on the conducted public procurement contract award procedure; and
- Decision to cancel the public procurement procedure.

A CCC representative attended the bid opening for the second procedure, held on April 6, 2026. Four bids were submitted during the process: Zhongtong Bus Holding (Zhongtong Bus Holding CO LTD China); Electrobus Europe and CRRC (Electrobus Europe Zrt. & CRRC Electric Vehicle Co. Ltd.); BMC Otomotiv Turkey (BMC Otomotiv Sanayi Ve Ticaret A.S.); and Aktrus Ventures DOOEL Skopje and Xiamen King Long (DPT Aktrus Ventures DOOEL Skopje & Xiamen King Long United Automotive Industry Co., Ltd.). In terms of bid value, the lowest price was offered by Aktrus Ventures DOOEL Skopje and Xiamen King Long at €59,436,000 (the total price was calculated; it was not read out publicly); Zhongtong Bus Holding ranked second with a bid of €59,690,732; Electrobus Europe and CRRC took third place with a total price of €60,122,439; and finally, Turkey's BMC Otomotiv submitted a bid of €69,822,730.

During the evaluation, the bid from Electrobus Europe Zrt. & CRRC Electric Vehicle Co. Ltd. was selected as the most favorable. Electrobus Europe Zrt. is a company belonging to the Ikarus Group, established by Ikarus and the Chinese company CRRC Electric Vehicle Co. Ltd. The two lower-priced bids, including that of Zhongtong Bus Holding, were rejected as unacceptable.

The consortium of bidders Actrus Ventures Skopje and Xiamen King Long filed a complaint with the State Commission for Public Procurement Complaints (SCPPC), which was partially upheld. The SCPPC rejected as unfounded all challenges regarding the legitimacy of the procedure raised by the complainants; however, acting ex officio, it annulled the tender after determining that the subcontracting agreement with EVN Macedonia had not been signed with a valid qualified electronic signature. The State Commission concluded that the contracting authority had no acceptable bids during the evaluation phase and that all bidders should have been excluded. Consequently, not only the selection decision but the entire procedure was annulled.

A complaint regarding this procedure was also submitted by the company Xiamen Golden Dragon, which had not even participated as a bidder in the process. This complaint was dismissed as procedurally defective because no proof of payment for the complaint fee and administrative tax had been submitted. The substance of the complaint was not reviewed at all.

Next is the Ministry of Transport's third tender, published on the ESPP for the same public procurement, reference number 09534/2026, on May 28, 2026. Compared to the previous procedure, the tender documentation has been amended regarding the documents used to establish the economic operators' eligibility. The amendment specifies that if the bidder is a foreign entity, all documents serving to establish its eligibility must be translated into Macedonian by a certified court translator. Additionally, for documents requiring certification by a competent authority under applicable regulations, there is an obligation to have them certified with an apostille.

The requirement for European homologation in the third tender has been supplemented with the phrase "or equivalent", without specifying what that means.

Changes requested regarding regulations for electric buses

Tender procedure number	Requirements regarding regulations relevant to electric buses
10939/2025	CoC (Certificate of Conformity) accompanied by WVTA (Whole Vehicle Type Approval) or a Certificate of technical requirements to be met by vehicles, as specified in the Official Gazette No. 131 of 30 October 2009, Annex I, Table 1, accompanied by the individual certificates ISO 15118 (Road vehicles – Vehicle-to-Grid Communication Interface) or equivalent
03055/2026	CoC (Certificate of Conformity) accompanied by WVTA (Whole Vehicle Type Approval) Vehicles must be approved in accordance with the European Directive 2018/858 ISO 15118 (Road vehicles – Vehicle-to-Grid Communication Interface)
09534/2026	CoC (Certificate of Conformity) or equivalent accompanied by WVTA (Whole Vehicle Type Approval) or equivalent Vehicles must be approved in accordance with the European Directive 2018/858 or equivalent ISO 15118 or equivalent (Road vehicles – Vehicle-to-Grid Communication Interface)

In the first tender, the alternative to the European homologation was specified via a specific regulation, annex, and table, allowing anyone reviewing the file to verify compliance with the requirement. In the second tender, the European homologation was set as a strict requirement, with no alternative. In the third, the CoC, WVTA, and approval under Regulation 2018/858 were all qualified with the phrase "or equivalent", without defining what constitutes an equivalent. The Ministry of Transport failed to provide the requested documents that would have shown whether the buses would possess European homologation or another document accepted as equivalent.

About a month and a half elapsed between the cancellation of the second procedure and the launch of the third. During that period, two direct competitors in the same procurement process appeared in a joint bid. The Hungarian company Ikarus changed the entity it was using to participate, as well as its Chinese partner. In the third procedure, Ikarus Electric Zrt. participated alongside the company Zhongtong. The question also remains as to why CRRC, which had partnered with Ikarus in the second procedure, did not appear in the third procedure, either independently or with another partner.

The mere fact that economic operators who acted as competitors in the previous procedure later submitted a joint bid is not sufficient, in itself, to conclude that prohibited collusion took place. However, the Law provides for exclusion under Article 88, paragraph (4), point (a), where the contracting authority reasonably determines that an economic operator has reached an agreement with other operators the object or effect of which is the distortion of competition. In the case at hand, the combination of circumstances is relevant: the operators had previously acted independently, their pricing positions had become known, and following the cancellation of the procedure they formed a joint bid. This warrants an examination of whether there were objective economic, technical or production-related reasons for the joint bid and what impact it had on competition.

In the third procedure, Ikarus Electric and Zhongtong Bus Holding (Ikarus Electric Zrt and Zhongtong Bus Holding CO LTD China) offered a total price of €60,182,671, VAT included. Two Chinese companies offered prices lower than this: Xiamen Golden Dragon (Xiamen Golden Dragon Bus Co., Ltd.), which offered a total price of €50,682,439 and YES-EU Denmark A/S with a total bid of €57,172,131. BMC Otomotiv from Turkey (BMC Otomotiv Sanayi Ve Ticaret A.S.) submitted the highest price with an offer of €72,557,797.

A detailed breakdown of the individual prices for buses and charging stations is provided in the following table.

Prices of the offered electric buses and charging stations across all three tenders (in euros)

10939/2025	Bidder	Zhongtong Bus Holding CO LTD China			
	Price for 1 bus	361,859			
	Price for 1 station	11,282			
03055/2026	Bidders	Zhongtong Bus Holding CO LTD China	Electrobus Europe ZRT. & CRRC Electric Vehicle Co. Ltd	BMC Otomotiv Sanayi Ve Ticaret A.S.	DPK Aktrus Ventures DOOEL Skopje & Xiamen King Long United Automotive Industry Co. Ltd
	Price for 1 bus	385,467	371,268	453,928	381,240
	Price for 1 station	24,943	59,096	23,114	30,000
09534/2026	Bidders	Icarus Electric ZRT and Zhongtong Bus Holding CO LTD China	Xiamen Golden Dragon Bus Co. Ltd	BMC Otomotiv Sanayi Ve Ticaret A.S.	YES - EU Denmark A/S
	Price for 1 bus	381,752	324,260	467,680	358,621
	Price for 1 station	38,931	27,246	32,077	45,053

According to the findings in the decision by the State Commission for Public Procurement Appeals, the bid from YES-EU Denmark A/S was rejected during the evaluation phase on the grounds that, instead of a bank guarantee, a SWIFT message from the Bank of Communications via Alta Banka Bitola had been submitted.

The Ministry rejected the bid from Xiamen Golden Dragon, which was approximately €9.5 million lower, on the grounds that it was an unqualified economic operator. The basis for this assessment was not stated in either the response to the appeal or the decision by SCPPA, which dismissed the appeal on August 6, 2026.

Only the selected bid and the bid from BMC Automotive of Turkey, which was €12.5 million higher, remained prior to the electronic auction phase. According to the notification submitted to ESPP on July 23, 2026, the Ministry decided to select Ikarus Electric as the most favorable bidder.

Following the decision, on July 30, 2026, Xiamen Golden Dragon Bus Co., Ltd. filed an appeal with SCPPA based on two key arguments: challenging the validity of the document submitted by the selected bidder and disputing the correctness of the exclusion of the YES-EU Denmark A/S bid regarding the bank guarantee.

Crucially, the appellant claimed that the statement from the charging station manufacturer, Sungrow Deutschland GmbH, regarding the provision of spare parts for the next 10 years, was not signed with a valid digital certificate by the bidder, Ikarus Electric Zrt. In contrast, the statement from the bus manufacturer, Zhongtong Bus Holding Co., Ltd., titled "Statement 10 years parts supply", was signed with a qualified electronic signature by the authorized representative, Szigeti Márk. However, in its response to the appeal, the Ministry stated that the selected bidder had submitted all necessary documents, including authorizations from Sungrow Deutschland GmbH for the use of their products and documentation regarding EVN Macedonia Elektrosnabduvanje DOOEL Skopje as a subcontractor. On August 6, the State Commission for Public Procurement Appeals issued a decision rejecting the appeal as unfounded.

Once all prerequisites for concluding the public procurement contract had been met, on August 17, 2026, CCC requested the documents for all three tender procedures conducted in connection with the public procurement of electric buses.

The Ministry of Transport did not submit the requested documents. Regarding the latest procedure, it is important to note, among other things, that copies were requested of the evidence demonstrating compliance with the requirements set out in Point 5 Regulations of the technical specifications (CoC, WVTA, approval pursuant to Directive 2018/858 or equivalent, ISO 15118) submitted by the selected bidder, as well as information regarding which type of document was accepted as "equivalent" to the CoC and WVTA, and the criteria the commission used to determine such equivalence.

The Ministry of Transport published the contract concluded on September 9, 2026 only on September 28. Data from the Electronic System for Public Procurement indicate that the winning Ikarus team reduced its bid during the electronic auction by 18.5 million denars or €300,000, lowering it from 3,701,234,256 denars to 3,682,728,084 denars.

What is relevant is that the buses will need to be delivered within 18 months of the contract being concluded, according to the following schedule:

- 30 electric buses and 15 charging stations to be delivered within a period not exceeding 6 months from the date of conclusion of the Contract;
- 60 electric buses and 30 charging stations within a period not exceeding 12 months from the date of conclusion of the Contract;
- 60 electric buses and 30 charging stations within a period not exceeding 18 months from the date of conclusion of the Contract.

The public procurement contract will have a duration of 24 months.

The payment schedule is as follows:

- for 2026: funds amounting to 368,272,808 denars (€5,988,176);
- for 2027: funds amounting to 1,657,227,638 denars (€26,946,791), and
- for 2028: funds amounting to 1,657,227,638 denars (€26,946,791).

In 2026, in accordance with the concluded contract, the contracting authority plans to make an advance payment amounting to €5,075,625 within 30 days of receiving a bank guarantee for the advance, amounting to 10% of the total contract value of the contract, or amounting to €5,989,237.

Regarding the warranty period, the contract holder is required to provide a warranty valid for 4 years from the date the vehicles are put into service. During the warranty period, the economic operator is responsible for routine maintenance and the repair of any technical faults that occur. The battery warranty period must be at least 4 years. Servicing must be performed by an authorized representative designated by the economic operator throughout the warranty period. The economic operator is required to provide spare parts for the 10 years following the date the vehicles are put into service.

Quality and competition have not been prioritized

The way the three tender procedures were structured raises the question of whether all available mechanisms for ensuring the best value for public funds and an appropriate competitive structure were utilized during their design.

All three procedures employed the "lowest price" criterion and an "electronic auction", even though reforms linked to the EU Growth Plan aim to increase the use of the "best price-quality ratio" criterion thereby reducing reliance solely on price and to limit the use of e-auctions. Indeed, e-auctions carry the risk of encouraging collusion among bidders.

The Law on Public Procurement allows the most economically advantageous offer to be evaluated based on price, life-cycle price and costs, or the best price-quality ratio. In the procurement of 150 electric buses, batteries and charging infrastructure, including multi-year maintenance and a ten-year supply of spare parts, the purchase price represents only a fraction of the total economic cost. Factors such as electricity consumption, battery degradation and replacement, servicing, vehicle downtime, and spare parts costs are also relevant. Therefore, it is reasonable to ask whether relying exclusively on price ensures the best value for public funds over the entire lifecycle of the buses.

Regarding the e-auction, the risk stems not so much from the use of the electronic auction itself (even though this runs counter to the recommendations of the Public Procurement Bureau) as from the circumstances in which it is conducted. After two prior procedures, the participants are already aware of which economic operators are competing and the price levels at which they operate. Repeating the tender significantly reduces uncertainty regarding competitors' behavior and pricing strategies, and in the third procedure, some operators that previously acted independently begin to act jointly. Under such conditions, the use of an electronic auction requires extra vigilance regarding the risk of coordinated behavior among the participants.

Furthermore, none of the procedures utilized the option provided by Article 27 of the Law on Public Procurement, which allows contracting authorities to restrict the participation of firms from countries that are not signatories to the World Trade Organization's Agreement on Government Procurement or from countries that have not committed to opening their public procurement markets to economic operators. China is among such countries.

However, Article 27 does not mandate the automatic restriction of participation by operators from these third countries; rather, it leaves such a decision to the discretion of the contracting authority. It is relevant to consider whether the contracting authority evaluated this option taking into account the value and strategic nature of the procurement and the reasons underlying the specific approach adopted.

In its updated guidance from March 2026, the Bureau of Public Procurement clarifies that operators from such third countries are decided by the contracting authority itself and specifically indicates the possibility of limiting participation in the context of current international trade relations. At the same time, BPP emphasizes that the same is in accordance with the judgment of the European Court of Justice C-652/22, which refers to the participation of economic operators from third countries in public procurement procedures in EU member states. Although the judgment of the European Court of Justice does not have direct application in the Republic of North Macedonia, it provides a context for the correct application of the provisions of the Public Procurement Directives which have been transposed into the Law on Public Procurement with regard to the principle of equal treatment and non-discrimination.

Timeline of the tender for the procurement of electric buses and charging stations

May 20, 2025: The Ministry of Transport issued a decision regarding a public procurement, which was subsequently amended and supplemented twice. The first amendment was made on May 22, 2025, and concerned changes to the members and their deputies. The second amendment was made on July 18, 2025, adding Point 4 to the public procurement decision; this provision engaged an external expert Prof. Nikola Avramov from the Institute of Mechanical Construction, Mechanization Machines and Vehicles at the Faculty of Mechanical Engineering in Skopje to evaluate the technical bid.

June 11, 2025: The Public Procurement Bureau prepared a report based on the administrative review conducted on the tender. The report provides a series of guidelines for improving the tender documentation.

June 17, 2025: The Ministry of Transport published a public procurement notice on the ESPP under reference number 10939/2025.

July 9, 2025: The deadline for submitting bids at the premises of the Ministry of Transport is changed from July 17, 2025, to July 24, 2025.

July 16, 2025: Several amendments to the technical specifications have been made via a notification regarding changes and additional information. For electric buses, the maximum design mass of the loaded vehicle has been increased from 18,000 kg to 19,000 kg noting that the legally permitted mass for a two-axle vehicle remains 18,000 kg, while the maximum speed has been reduced from 100 km/h to 90 km/h. The requirement regarding range on a single battery charge has been supplemented with a stipulation that the bus must cover at least 325 km according to the SORT II standard. Certification requirements have also been modified; in addition to CoC, WVTA (or an equivalent certificate), and ISO 15118, ISO 14001 and ISO 9001 certifications are now required.

Regarding charging stations, the power requirement has been specified as a minimum of 150 kW per charging point, and the connection requirements have been aligned with the European CCS Combo 2 standard and the corresponding connector layout.

July 24, 2025: Bid opening day. One bid was received, from Zhongtong Bus Holding Co., Ltd.

July 28, 2025: The Ministry issued a decision to cancel the procedure on the grounds that the bidder failed to submit evidence demonstrating compliance with the requirements regarding technical and professional capability.

February 20, 2026: The Ministry of Transport made a decision on a new public procurement.

February 24, 2026: An administrative review of the tender was conducted by the Public Procurement Bureau.

February 27, 2026: The Ministry published a new notice on ESPP for the same public procurement procedure, under number 03055/2026, incorporating a significant number of changes to the tender documentation compared to the previous process. The most significant change concerns an increase in the scope of the procurement: the number of electric buses has been raised from 120 to 150, and the number of charging stations from 60 to 75. The estimated value of the procurement has increased from 2,345,338,983 denars (€38,135,593) excluding VAT to 3,137,288,136 denars (€51,012,815) excluding VAT. The delivery deadline has also been modified, extended from the initially planned 12 months to 36 months. Significant changes have also been made regarding the requirements for technical and professional capability. Instead of the previous requirement for the bidder to have completed at least one contract worth 2,767,000,000 denars (€44,991,870) for the delivery of electric buses within the last 10 years, the new documentation requires at least two completed contracts with a total value of 3,700,000,000 denars (€60,162,602) for the delivery of buses within the last three years. In addition to raising the minimum total value, the timeframe for acquiring the relevant experience has been significantly shortened. Certain technical specifications for the buses and charging equipment have also been modified. Regarding the charging connector, the requirement for a CCS Combo 2 with a minimum power output of 150 kW has been lowered to a minimum of 120 kW. The requirements for passenger doors have also been revised, the previous specification called for three inward-opening doors with at least two being double-leaf service doors equipped with an anti-pinch/anti-crush system for passenger entry and exit. The new documentation permits either a configuration with three inward-opening doors or a setup featuring one inward-opening door and two inward-sliding doors, provided that at least two are double-leaf service doors equipped with an anti-pinch/anti-crush system. Changes have also been made to the bus capacity specifications. The previous requirement for a minimum of 26 seats plus the driver's seat and a total capacity of at least 76 passengers, including at least one wheelchair space, has been replaced by a requirement for a minimum of 30 seats plus the driver's seat and a total capacity of at least 66 passengers, again including at least one wheelchair space.

April 6, 2026: Day of the public opening of bids. Four companies submitted bids: DPT Aktrus Ventures DOOEL Skopje & Xiamen King Long United Automotive Industry Co., Ltd (unit price including VAT for electric buses: €381,240; unit price including VAT for electric bus charging stations: €35,400 and total price including VAT: €59,841,045), Electrobus Europe Zrt. & CRRC

Electric Vehicle Co. Ltd (unit price including VAT for electric buses: €371,268; unit price including VAT for electric bus charging stations: €59,096 and total price including VAT: €60,122,438), Zhongtong Bus Holding CO LTD China (unit price including VAT for electric buses: €385,467; unit price including VAT for electric bus charging stations: €24,943 and total price including VAT: €59,690,732) and BMC Otomotiv Sanayi Ve Ticaret Anonim Sirketi (unit price including VAT for electric buses: €453,928; unit price including VAT for electric bus charging stations: €23,114 and total price including VAT: €69,822,730).

April 30, 2026: The Ministry decided to select the offer from Electrobus Europe Zrt & CRRC Electric Vehicle Co. Ltd as the most favorable one.

May 6, 2026: Xiamen Golden Dragon Bus Co., Ltd. submits a complaint to the SCPPA.

May 8, 2026: The company DPT Aktrus Ventures DOOEL Skopje & Xiamen King Long United Automotive Industry Co., Ltd filed a complaint with SCPPA claiming that its bid was unlawfully rejected, while the selected bidder was favored through the submission of supplementary documentation after the deadline, a disputed bank guarantee, and an improper technical evaluation.

May 21, 2026: SCPPA issued decisions regarding appeals. In this instance, the appeal filed by Xiamen Golden Dragon Bus Co., Ltd. was rejected due to procedural non-compliance, specifically the failure to submit proof of payment for the proceedings fee and the administrative fee.

May 21, 2026: Regarding the complaint of DPT Aktrus Ventures DOOEL Skopje & Xiamen King Long United Automotive Industry Co., SCPPA issued a decision with which the appeal was partially adopted and annuled the decision to select the most favorable offer from April 30, 2026 and the procedure following the public procurement notice of the contracting authority Ministry of Transport.

May 22, 2026: The Ministry of Transport made a decision to annul the procedure based on the ruling of SCPPA.

May 22, 2026: The Ministry of Transport adopted a new decision on public procurement.

May 26, 2026: An administrative review of the tender was conducted by the Public Procurement Bureau.

May 28, 2026: The Ministry of Transport published a new notice on ESPP for the same public procurement, under number 09534/2026. Compared to the previous procedure, the tender documentation has been amended regarding the documents used to establish the eligibility of economic operators. The amendment specifies that if the bidder is a foreign entity, all documents serving to establish its eligibility must be translated into Macedonian by an authorized court translator. Additionally, for documents requiring certification by a competent authority under applicable regulations, an obligation to have them certified with an apostille has been introduced. Changes have also been made regarding the requirements concerning regulations relevant to electric buses.

July 6, 2026: Bid opening day. Four companies submitted bids: Xiamen Golden Dragon Bus Co., Ltd. (unit price including VAT for electric buses: €324,260; unit price including VAT for electric bus charging stations: €438,699 and total price including VAT: €50,682,438), YES-EU Denmark A/S (unit price including VAT for electric buses: €358,621; unit price including VAT for electric bus charging stations: €45,052 and total price including VAT: €57,172,131), BMC Otomotiv Sanayi Ve Ticaret Anonim Sirketi (unit price including VAT for electric buses: €467,680; unit price including VAT for electric bus charging stations: €32,077 and total price including VAT: €72,557,796), and Ikarus Electric Zrt in a joint bid with Zhongtong Bus Holding CO LTD China (unit price including VAT for electric buses: €381,752; unit price including VAT for electric bus charging stations: €38,931 and total price including VAT: €60,182,670).

July 24, 2026: The Ministry decided to select the joint bid from Ikarus Electric Zrt and Zhongtong Bus Holding Co. Ltd. China as the most favorable offer.

July 30, 2026: Xiamen Golden Dragon Bus Co., Ltd. filed a complaint with SCPPA based on two key allegations: challenging the validity of the document submitted by the selected bidder, specifically the statement regarding the provision of spare parts for the ten years following the commissioning of the procured goods, issued by the charging station manufacturer Sungrow Deutschland GmbH and challenging the propriety of excluding the bid from YES-EU Denmark A/S on the grounds of an invalid bank guarantee.

August 6, 2026: SCPPA issued a decision dismissing the appeal as unfounded.

September 9, 2026: A contract was concluded with the lead member of the joint bid based on the Joint Participation and Cooperation Agreement signed between Ikarus Electric Zrt and Zhongtong Bus Holding CO LTD on June 30, 2026, valued at 3,682,728,085 denars (€59,892,373), including VAT.

€2.3 million Jackson sports: 20% for additional works exceeded multiple times through a new tender

(Tenders by the Municipality of Shtip for the construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events reference no. 02713/2024 and for additional and unforeseen works on the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events following design changes during construction reference no. 12241/2025)



- Construction of the Jackson sports and recreation facility in Shtip began in late May 2024. Under the contract, the facility was scheduled for completion within eight months, i.e. by the end of January 2025. Instead, construction took over two years, and the facility was ultimately built through two parallel contracts with the same company.
- The initial contract for the construction of the facility was valued at approximately €1.1 million. The contract stipulated that additional and unforeseen works could not exceed 20% of its value, i.e. roughly €220,000. During construction, the project was modified. Rather than issuing an annex to the existing contract, the Municipality announced a new tender titled "Additional and Unforeseen Works for the Facility", resulting in a contract worth approximately €1.25 million (including VAT), an amount exceeding the original, primary contract.
- Crucially, the second tender did not concern a new, separate structure or an independent project, but rather "additional and unforeseen works" on the facility already under construction. The subject of the procurement, as defined by the Municipality of Shtip, clearly indicates that this involved the continuation and supplementation of construction work already underway. Article 119 of the Law on Public Procurement explicitly states that the value of unforeseen and additional works must not exceed 20% of the basic contract.
- Conducting the tender via an open procedure resulted in only pro forma transparency. The tender documentation failed to provide a sufficiently precise distinction between already completed and newly planned work. At the time the second tender was conducted, the initial contract had not yet been concluded. The documentation was not supplemented with clear details regarding completed work items, the status of the construction site, deadlines, the procedure for commencing work, liability for both existing and new work, the division of warranties between the previous and new contractors, site access issues, technical connections to the existing structure, etc.
- As expected, only one company submitted a bid for the second tender - Sandra Engineering Skopje, the very same firm already constructing the hall.
- The financial consequence of this approach, apart from the huge increase of the basic project, can also be seen in the difference between the estimated value and the offer. The only bidder in the second tender submitted an offer about €230,000 higher than the estimated value. The municipality of Shtip provided the additional funds and concluded the contract at the offered, higher price.
- The difference in the way financial offers are presented is also indicative. While in the first tender an individual price for each item is specified, in the second tender the publicly available offer shows the sums in aggregate, by phases and types of works, without individual prices for each item. Therefore, it is not possible to directly compare the prices of the positions that appear in the two contracts, nor to determine whether the same price was applied to the same items in the second contract as in the first.
- From September 2025 to July 2026, the same company executed two contracts at the same facility, under the same supervision. Both contracts were closed on the same day - July 20, 2026, when the final reports were submitted to the supervisory authority. Given that the two contracts were executed by the same company, and some of the items overlapped, the question of how to distinguish what was performed under the first contract and what under the second contract remains open.

- Neither of the two contracts was completed on schedule. The first was supposed to be completed within eight months, but implementation took approximately 26 months. The Municipality of Shtip confirmed that no contract amendment extending the deadline was concluded for the first contract. The second contract was scheduled for completion within six months, by mid-March 2026, but was finished four months later. Both contracts stipulated a penalty for delay of up to 5% of the contract value. It is not known whether the Municipality calculated and collected these fines.

The same company was simultaneously executing two contracts at the same site, under the same supervision

On February 16, 2024, the Municipality of Shtip adopted a decision to initiate a public procurement process for the construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events with a total value of 68,673,397 denars (€1,116,641) excluding VAT, or 81,034,608 denars (€1,317,636) including VAT. On the same day, the tender notice was published under the title "Construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events on CP no. 8429/1 from CM Shtip 4, No. 02713/2024".

By the deadline for bid submission on March 26, 2024, five bids were received. The Commission rejected two bids: the bid from the Company for construction, manufacturing, trade, and services iTek Systems Gevgelija because they had altered the quantities specified in the bid form, and the bid from the Company for construction, design, manufacturing, trade, and services Hildin Komerc Tetovo because they submitted documents older than 6 months. Three bidders remained in contention: Company for manufacturing, trade, construction, hospitality, and services VIA Vevchani with a bid of 64,928,613 denars (€1,055,750) excluding VAT; Company for manufacturing, trade, and services Sandra Engineering Skopje with a bid of 73,235,232 denars (€1,190,816) excluding VAT; and Company for construction, trade, and services Bauer DOO Skopje with a bid of 97,845,429.38 denars (€1,590,982) excluding VAT.

During the electronic auction, Sandra Engineering offered the lowest price, reducing its initial bid by 16,747,337 denars (€272,314), i.e. by 23%. On May 20, 2024, the Municipality of Shtip signed a contract with Sandra Engineering valued at 56,487,895 denars (€918,502) excluding VAT, or 66,655,715 denars (€1,083,832) including VAT.

Under the contract, the contractor is required to complete the project within a maximum of eight months from the moment the supervising engineer authorizes the commencement of work. A work commencement order issued by the Municipality of Shtip indicates that construction began on May 27, 2024, setting the deadline for project completion at January 27, 2025.

However, documents obtained from the Municipality of Shtip show that during the first half of 2025, work focused on revising the basic design rather than finalizing the construction project. Based on this revision, the project investor, the Municipality of Shtip, requested the mayor's approval on March 18, 2025 for a modification to the construction of the Jackson recreation facility. Attached to the request is a list of audits conducted between March and May 2025, including the "Basic Design for Mid-Construction Modifications" prepared by Design Center Kavadarci.

On June 2, 2025, the mayor issued a decision approving construction modifications for the project investor, the Municipality of Shtip. One month later, a decision was issued to initiate an open public procurement procedure for the works, with funding allocated from the Municipality of Shtip's budget totaling 53,194,661 denars (€864,954) excluding VAT, or 62,769,700 denars (€1,020,646) including VAT.

On July 8, 2025, amidst the summer holiday season, a procurement notice was published for "additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings for sports, recreation, and other mass events, following mid-construction modifications with No. 12241/2025".

As expected, only one company submitted a bid for this second tender: Sandra Engineering Skopje, the very company already constructing the hall. The bid amounted to 76,872,422 denars (€1,249,957) including VAT, exceeding the Municipality of Shtip's own estimate by as much as €229,311.

Instead of cancelling the tender, on September 5, 2025, the Municipality issued a Decision amending the decision to conduct an open public procurement procedure for works - additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings for sports, recreation, and other mass events, following mid-construction modifications with No. 11-4962/1, dated July 2, 2025 amending the allocated budget funds, increasing them to match the requested amount.

On September 15, 2025, the Municipality of Shtip concludes a second contract with Sandra Engineering worth €1.25 million.

The financial consequence of this approach beyond the massive increase in the project's base cost, is evident in the 22.5% gap between the estimated value and the bid submitted by the sole bidder. Furthermore, the difference in how the financial bids were presented is indicative. While the first tender listed a unit price for every individual item, the publicly available bid for the second tender presented amounts in aggregate, by phase and type of work, without specifying individual item prices. Consequently, it is impossible to directly compare the prices of specific line items across the two contracts or to determine whether the same pricing was applied to the same work in the second contract as in the first.

Pro forma transparency and circumvention of the Law

The very title of the procurement subject is restrictive. The description referring to additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings intended for sports, recreation, and mass events following mid-construction modifications implies that the construction works have already been carried out and that these additional and unforeseen tasks can only be completed by the original contractor. Under Article 119 of the Law on Public Procurement, an existing contract may be modified without a new procedure, among other reasons to include additional works by the original contractor that were not part of the initial agreement, provided they are necessitated by unforeseen circumstances and a change of contractor is impossible for economic or technical reasons, or would result in serious difficulties or significantly higher costs. However, the legal provision is clear that if during the execution of a public procurement contract there are excesses in the work performed or works arise that were not envisaged in the original contract (unforeseen and additional works), their value must not exceed 20% of the original contract value.

The mere existence of a modified basic design does not automatically mean that the same contractor can or must execute all the newly designed works. Furthermore, the subject of the procurement must be described clearly, unequivocally, and comprehensively; in the case of works, the design documentation is directly linked to the technical specifications and to the scope for which the bidders actually competed. In this instance, the value of the original contract was increased by more than 110%!

A very serious question is already arising as to whether the actual subject matter of the procurement is being executed, or if the modification is creating a significantly different and larger scope of work that should have been subject to genuine competition, meaning the procurement description should not read "Additional and unforeseen works for the construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events" following mid-construction modifications, but rather, for example: "Execution of completion works for [name of the structure] in accordance with the amended and supplemented Basic Design No. XX".

If the new works are valued higher than the entire original construction, this is a strong indication that the scope of the construction may have been fundamentally redefined, rather than merely involving standard unforeseen works. In that case, if the contracting authority wishes to foster competition, in addition to the technical specifications, the design, and the bill of quantities, the tender documentation should also be supplemented with:

- clear identification of work items already executed;
- clear identification of the works subject to the new contract;
- status of the construction site;
- deadlines;
- procedure for commencing work;
- liability for works already executed and new works;
- delineation of warranties – original/new contractor;
- issues regarding site access;
- technical connections to the existing structure.

With this type of procurement subject, there is merely the appearance of transparency, while the fundamental principles of public procurement, competition and equal treatment, are effectively violated because not only is the specific contractor in the most advantageous position, but it is practically impossible for another party to continue the work. If the project involved, for instance, an extension and the likes, based on a new design, the situation and circumstances would be different.

Thus, although the public procurement procedure was formally open, it is abundantly clear that the essential conditions for competition and equal treatment of bidders were not met. This is particularly evident considering that the second contract reached approximately 1.25 million euros – more than five times the amount of roughly €220,000, which would represent 20 percent of the value of the original contract.



As a result of the contracts concluded, from September 2025 to July 2026, the same company simultaneously executed two contracts at the same site, under the same supervision. Both contracts were closed on the same day - July 20, 2026, when the final reports from the supervising authority were submitted.

The final report from the supervising engineer at the company MG Proekt DOOEL Skopje regarding the works performed on the facility under the first tender (No. 02713/2024) concludes the following: “Based on the technical inspection performed, the on-site assessment, and the review of the technical documentation, the supervising engineer finds that the structure in question has been built in accordance with the Building Permit, the Main Design / As-Built Design, and applicable technical regulations, it presents no defects compromising the structure’s essential requirements regarding mechanical resistance, stability, and seismic protection, and it may be put into use.” The final conclusion states: “A positive report on the technical inspection performed by the supervising engineer is issued for a category two structure. This report may be submitted to the competent municipality for further proceedings, along with the necessary technical and geodetic documentation.”

On the same day (July 20, 2026), a report was also prepared by the supervising company for the second tender (No. 12241/2025). The conclusion and final statement are identical.

The figures for the construction work actually performed differ between the two supervision reports. Regarding the first tender, the fourth interim and final payment certificate amounted to 59,539,419 denars (€968,121) including VAT, representing 89% of the contract value. For the second tender, the fourth interim and final payment certificate, dated July 20, 2026, lists a sum of 76,835,635 denars (€1,249,360) including VAT. The precision with which the second contract was executed is unusual for the construction industry. Conversely, the 89% completion figure for the first contract differs from the report on contract execution submitted by the Municipality of Shtip to the Electronic System for Public Procurement on June 29, 2026 which report stated the contract was 100% completed, amounting to 66,655,715 denars.

Finally, it is important to note that neither of the two contracts was completed on schedule. The first was supposed to be finished within eight months, yet execution took approximately 26 months. The municipality of Shtip confirmed that no annex was concluded for the first contract to extend the deadline. The second contract was due to expire in six months, by mid-March 2026, but was completed four months later. In both contracts, a contractual penalty for delay of up to 5% of the value of the contract is provided. It is not known whether the Municipality calculated and collected these fines.

Chronology of the Municipality of Shtip's tenders for the construction of the Jackson sports and recreation facility (numbers 02713/2024 and 12241/2025)

February 16, 2024 – A decision has been made regarding the public procurement of works for the construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events at a total cost of 81,034,608 denars (including VAT).

February 16, 2024 – A tender notice was published for the construction of the Jackson sports and recreation facility – buildings for sports, recreation, and other mass events on CP No. 8429/1, CM Shtip 4 No. 02713/2024.

March 26, 2024 – Deadline for bid submission. Five bids were received. The commission rejected two bids: the bid from the Company for construction, manufacturing, trade, and services iTek Systems Gevgelija, because they had altered the quantities specified in the bid form; and the bid from the Company for construction, design, manufacturing, trade, and services Hildin Komerc Tetovo, because they submitted documents older than six months. Three bidders remained in the competition: the Company for manufacturing, trade, construction, hospitality, and services VIA Vevchani, with a bid of 64,928,612.90 denars (€1,055,750) excluding VAT; the Company for manufacturing, trade, and services Sandra Engineering Skopje, with a bid of 73,235,232 denars (€1,190,816) excluding VAT; and the Company for construction, trade, and services Bauer BG Skopje, with a bid of 97,845,429.38 denars (€1,590,982) excluding VAT.

April 11, 2024 – An e-auction was conducted. The lowest price was offered by the economic operator Sandra Engineering Skopje, which had been ranked second prior to the e-auction, with an amount of 56,487,894.90 denars (€918,502) excluding VAT. Ranked second is VIA Vevchani with an amount of 57,137,180.90 denars (€929,059) excluding VAT, while BAUER BG Skopje is third, having maintained the same price offered prior to the e-auction: 97,845,429.38 denars (€1,590,982) excluding VAT.

May 20, 2024 – A contract was concluded with the top-ranked bidder, the Company for production, trade, and services Sandra Engineering Skopje in the amount of 56,487,894.90 denars (€918,502) excluding VAT, or 66,655,715 denars (€1,083,832) including VAT.

May 27, 2024 – A work commencement order was issued.

January 27, 2025 – Deadline for the completion of the project.

June 2, 2025 – A decision was issued by the mayor approving construction modifications for the investor, the Municipality of Shtip. Attached to this decision is a list of revisions carried out during the period March-May 2025.

July 2, 2025 – A decision was adopted to conduct an open public procurement procedure for works - additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings for sports, recreation, and other mass events, following mid-construction modifications.

July 8, 2025 – A public notice No. 12241/2025 was published regarding Additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings for sports, recreation, and other mass events following mid-construction modifications.

August 7, 2025 – Deadline for submission of bids.

September 5, 2025 – A Decision was issued amending the decision to conduct an open public procurement procedure for works - additional and unforeseen works for the construction of the Jackson sports and recreation facility - buildings for sports, recreation, and other mass events, following mid-construction modifications. The amending decision No. 11-4962/1 dated 02.07.2025 modifies the allocated budget funds.

September 5, 2025 – Report on the conducted procedure. Only one bid was submitted by the Company for production, trade, and services Sandra Engineering Skopje valued at 65,146,120 denars (€1,059,286) excluding VAT.

September 15, 2025 – Contract concluded with the Company for production, trade, and services Sandra Engineering Skopje.

September 17, 2025 – Work commencement order issued.

March 17, 2026 – Deadline for completion of the works.

July 29, 2026 – Notification of contract completion for the first tender - 02713/2024

July 21, 2026 – Final report from the supervising engineer on the works performed on the facility for 02713/2024

July 21, 2026 – Final report from the supervising engineer on the works performed on the facility for 12241/2025

Football stadium on the tender, a patch of land with dried-out grass on the ground

(Tender by the Agency for Youth and Sport for the reconstruction of a football field in the village of Chegrane, Municipality of Gostivar, with number 22854/2022)

Condition of the playing field
on September 3, 2026



- The football field in the village of Chegrane was supposed to be reconstructed back in December 2023. Nearly three years later, instead of a functional pitch, the site lacks turf, renovated stands, an irrigation system, and lighting.
- The reconstruction contract was awarded by the Agency for Youth and Sport in March 2023, valued at approximately €112,000. To date, around €70,000, or roughly 63% of the total amount, has been paid out.
- According to the latest supervision report and the situation on the ground, no work has been done on the field since the second half of 2025.
- The Ministry of Sport, as the legal successor to the Agency for Youth and Sport, did not respond to inquiries regarding whether measures were taken due to the failure to fulfill the contract, nor whether contractual mechanisms for penalizing the delay were applied. The contract stipulates a penalty of up to 5% of its value.
- The contract for the reconstruction of the football stadium has expired. No contract annexes have been published in the Electronic System for Public Procurement, nor were they provided by the Ministry, despite requests for them. Consequently, it remains unclear whether the deadlines, scope, or other terms of the contract were modified.
- The case in Chegrane is a glaring example of weaknesses in monitoring the execution of public procurement contracts. Despite clearly established deadlines, scrutiny mechanisms, and contractual penalties for delays, the contract has expired and a significant portion of the funds has been paid out, yet the stadium remains non-functional. The lack of a clear answer regarding whether measures were taken for the failure to fulfill the contract raises the question of whether existing control mechanisms truly ensure accountability for public procurement execution, i.e. accountability in the spending of public funds.
- For the local population and FC Arsimi, the consequences of this execution are visible on the ground. For the general public, who rely solely on data from ESPP, the picture is different: a tender was conducted via a competitive process involving six companies, a contractor was selected, a contract was signed, and funds were disbursed for a project which, according to the procurement decision, was intended to create conditions for recreation and sports matches for athletes, youth, and citizens. In reality, €70,000 were spent, yet the stadium is not only non-functional but no longer even resembles a sports field.
- This situation indicates serious negligence regarding the impact of the public funds spent. When institutions reach a point where tens of thousands of euros are paid out without a functional facility being delivered, it raises serious questions regarding the effectiveness of scrutiny, contract management, and accountability for the expenditure of public funds.

What was to be built: a new pitch, stands, and an irrigation system

A single stand, several damaged walls, dry, yellowed grass, and torn wire fencing is the scene that greets visitors upon arrival. Only the emblem bearing the initials of the Arsimi club and the village's name reveals that a football field for the village of Chegrane lies hidden within this neglected space. Yet, the state had allocated €112,000 for the reconstruction of this very stadium. Nearly three years past the scheduled deadline, instead of a functional sports facility, the site bears only the traces of an investment that failed to achieve its intended purpose.

The Agency for Youth and Sport made the decision regarding the public procurement for the reconstruction of the football field in the village of Chegrane, the Municipality of Gostivar, on December 30, 2022. The decision stated: "In accordance with the planning and programme activities of the Government of the Republic of North Macedonia and the Agency for Youth and Sport regarding sports development and the construction and reconstruction of sports infrastructure in the Republic of North Macedonia, a need was identified to implement the project for the "reconstruction of the football field in the village of Chegrane, Municipality of Gostivar". Executing this procurement will realize a project that creates conditions for recreational activities and matches for athletes, young people, and citizens of the municipality, specifically for the nearby urban communities."

The project is valued at 7 million denars, including VAT (€113,821). A public procurement notice under No. 22854/2022 was published on the same day. The selection criterion for the procedure was the lowest price, and an electronic auction was also planned.

To demonstrate their eligibility to participate in this tender, companies were required to:

- Provide a list of works performed over the past five years, including at least 1 (one) certificate of satisfactory execution of a sports facility;
- Have management personnel with the relevant educational and professional qualifications who will be engaged and responsible for the implementation of the subject of the procurement, of whom:
  - » at least 1 civil engineer with a Class B authorization for construction engineers;
  - » at least 1 graduate engineer (architecture) with a Class B authorization for construction engineers;
  - » at least 1 electrical engineer with a Class B authorization for construction engineers.

In addition, the companies were required to submit a statement regarding at least 7 employees or engaged personnel. They were also required to meet quality system standards, specifically ISO 9001:2015 or equivalent and ISO 14001:2015 or equivalent certifications.

Six companies submitted bids: Aqua-Engineering AGE Tetovo, BV Engineering Bitola, Badzak Engineering Skopje, SS Architect & Designer Gostivar, Labino Trade Gostivar, and NET Invest Group v. Slatino, Tearce.

Bids were received ranging from 6.3 million to 20 million denars, or 102,000 to 342,000 euros, excluding VAT. Following the e-auction, the lowest bid was submitted by the company SS Architect & Designer Gostivar, offering 5,755,793 denars excluding VAT (€93,590). The company Labino Trade Gostivar ranked second with a bid of 5,818,356 denars excluding VAT (€94,607). The

public procurement commission determined that the company with the lowest price, which had previously submitted a statement attesting to its eligibility, did not actually meet all the tender requirements and declares the bid from the second-ranked company Labino Trade Gostivar as the most favorable, based on price.

The contract concluded between the Agency for Youth and Sport and Labino Trade Gostivar on March 9, 2023, clearly states that "the contractor is obliged to complete all works within 8 months from the date of commencement of work". This timeframe was also confirmed by the work schedule submitted upon the conclusion of the contract.

According to the bill of quantities submitted by Labino Trade with its bid in May 2023, the reconstruction was intended to transform the field into a functional football pitch. The value of the bid was 5,818,356 denars excluding VAT, or approximately €112,000 including VAT.



Condition of the playing field on September 3, 2026

The majority of the funds were allocated for the development of the field itself. Plans included mechanical clearing of approximately 3,800 square meters, excavation and sub-base preparation, crushed-stone sub-base laying, applying 1,800 cubic meters of topsoil, and planting sports-grade turf over an area of 6,750 square meters.

A drainage system was also planned, comprising approximately 1,190 meters of drainage pipes and inspection manholes to collect and divert water from the field. To maintain the turf, an automatic irrigation system was to be installed, featuring sprinklers, piping, valves, and a system controller.

One of the major undertakings was the reconstruction of the stands. The project called for 90 cubic meters of reinforced concrete for the stand steps and foundations, by incorporating a total of 12.5 tons of steel reinforcement, as well as painting and the installation of metal railings.

The tender also covered the renovation of ancillary facilities. Plans included new floor and wall tiles, PVC doors, showers, toilets, sinks, plumbing and sewage systems, electrical wiring, LED lighting, and painting work.

Also included were new metal fences around the pitch and stands, entrance gates, metal ticket booths, and a coaches' cabin. The plan further encompassed painting the existing perimeter wall, the stands, the metal fencing, the football pitch markings, and the existing goal nets, as well as the installation of four floodlights.

Summary of construction works planned for the football field
(price in denars excluding VAT)

SUMMARY		Prive excluding VAT
A.	EARTHWORKS	2,672,590
B.	PREPARATORY WORKS	33,983
C.	CONCRETE WORKS	389,245
D.	REINFORCEMENT WORKS	681,375
E.	MASONRY WORK	42,657
F.	PLASTERING WORKS	61,616
G.	PAINTING AND DECORATING WORKS	283,195
H.	INSULATION WORKS	40,288
I.	FACADE WORKS	18,869
J.	CERAMIC WORKS	158,779
K.	CARPENTRY WORKS	71,214
L.	ELECTRICAL SYSTEMS	33,769
M.	INSTALLATIONS - WATER SUPPLY AND SEWERAGE	862,842
N.	MISCELLANEOUS	467,954
TOTAL		5,818,378

Taking all of this into account, it follows that the tender did not only envisage a cosmetic refresh of the stadium, but a complete arrangement of the field, drainage and irrigation systems, reconstruction of the stands and renewal of the accompanying premises and infrastructure.

The tender documentation available on the Electronic System for Public Procurement did not indicate any problems in the implementation of the project. This tender became the subject of research following a report from a citizen, prompted by our previous research and the call to citizens to point out problematic public procurement in their areas.

The field inspection showed that what was stated as the goal of the tender and what was supposed to be achieved with the spent public funds differs significantly from the actual state of the stadium.

To determine what transpired between the conclusion of the contract and the situation found on-site, the Ministry of Sport was requested to submit all relevant documents regarding the contract's implementation: the record of the contractor's commencement of work, expert supervision reports, data on payments made, any contract annexes, information on contractual penalties applied or collected, and other documentation that could shed light on how the project was carried out.



Condition of the playing field on September 3, 2026

Documents obtained from the Ministry of Sport indicate that the company Labino Trade commenced work on April 27, 2023. An eight-month deadline for the reconstruction project began on that date, with completion scheduled for December 27, 2023.

The Ministry provided the final three expert supervision reports. The first of these was submitted on December 19, 2023, just eight days before the contractual deadline expired. The supervising entity was Institute for materials testing and development of new technologies ZIM Skopje AD Skopje. The documents reveal that the project designer was Lorani Proekt Osman from Tetovo, while the reviewer was Art-Linea Design from Gostivar.

The supervision report states that the stadium covers a total area of 15,274 square meters, the playing field measures 105 by 64 meters, approximately 6,000 square meters, with an additional 9,274 square meters of grassed area.

The same report also provides a snapshot of the situation immediately prior to the deadline. The 'works performed' section states that site clearance was 100% complete, excavation was 30% complete, and the crushed-stone sub-base laying was also 30% complete. Reinforcement work showed 9.8% completion, while the installation of PVC joinery was 90% complete.

However, in the 'construction issues' section, the supervising authority notes: "Work is generally proceeding without significant operational problems". By December 19, 2023, three interim payment certificates had been processed, totaling 3,443,542 denars.

This marks the first critical point in the timeline: the report submitted just before the deadline records only partially completed work yet cites no specific operational problems, even though the deadline for the entire project was merely eight days away.

The next report from the same supervisory body, ZIM Skopje, was submitted to the Agency for Youth and Sport on June 11, 2024 – almost six months after the initial completion deadline had passed. However, it states that the completion deadline had been extended to June 27, 2024.

In this report as well, the section titled 'construction issues' once again notes that "Work is proceeding largely without significant operational problems". The report is nearly identical to

the previous one but shows some increase in the level of completion: excavation and sub-base laying reached 90 percent, while reinforcement work reached 60 percent. PVC joinery installation remained at 90 percent. A fourth interim payment certificate, amounting to 694,808 denars, was also recorded during this period.

This means that in June 2024, just days before the expiration of the second deadline for the reconstruction, the supervisor was still reporting that the work was proceeding largely without significant operational problems.

According to documents obtained from the Ministry of Sport, the subsequent report came from a new supervisory body – MG Proekt Skopje. It was submitted in November 2025 and presents a significantly different assessment. The report dated November 7, 2025, states that "there have been no construction activities over the past few months, from June 2025 to October 2025".

Thus, the latest report reveals that the project was not completed even by the extended deadline of June 2024; work continued into 2025, with the report noting that for a period of at least five months – from June to October 2025 – there was no construction activity on site.

Meanwhile, according to the data obtained, approximately €70,000 were paid out of the projected €112,000. Yet, there is no functional stadium on site featuring the key elements stipulated in the contract, such as a prepared pitch, drainage, an irrigation system, and lighting. In the interim, the public procurement contract formally expired on March 16, 2026.

However, the matter cannot be reduced solely to the contractor's liability. While the company's failure to complete the agreed-upon work within the deadline represents one aspect of the problem, another lies in the responsibility of the contracting institution, the Agency for Youth and Sport, to monitor execution, demand timely completion, and invoke contractual mechanisms if the contractor falls behind schedule or fails to fulfill its obligations.

Following the cessation of the Agency's operations, this matter now falls within the purview of the Ministry of Sport, its legal successor. No response has been received from the Ministry regarding whether measures have been taken due to the failure to fulfill the contract, whether the stipulated contractual penalties for delays have been invoked, or how the institution plans to ensure the project's completion. Furthermore, significant responsibility lies with the supervisory body, which should have alerted the Agency to the actual situation on the ground.

Therefore, the question is not merely why the contractor failed to complete the stadium. It is equally important to ask why the institutions handling public funds allowed the contract to expire and a substantial portion of the funds to be paid out, while the facility still fails to serve the purpose for which it was funded.

This situation points to serious negligence regarding the impact of public money spent.

The formal execution of the tender, the selection of the contractor, and the disbursement of funds do not mark the end of the public procurement process. The true outcome should be what the citizens paid for, in this case, a functional, renovated football stadium. When institutions can pay out tens of thousands of euros yet end up without a functional facility, it raises serious questions about the effectiveness of scrutiny, contract management, and accountability in the spending of public funds.

Chronology of the tender for the reconstruction of the football field in the village of Chegrane, Municipality of Gostivar

December 30, 2022: The Agency for Youth and Sport issued a decision on public procurement, stating that the procurement will facilitate a project creating conditions for recreational activities and competitions for athletes, young people, and citizens of the municipality, specifically those in nearby urban communities.

December 30, 2022: Public procurement notice No. 22854/2022 is published.

January 11, 2023: A notice regarding amendments and additional information changed the bid submission deadline from 18 January 2023 to 25 January 2023.

January 12, 2023: The notice regarding amendments and additional information for the procedure is submitted ESPP, the tender documentation is amended by uploading a new (revised) Bill of Quantities.

January 21, 2023: A new notice regarding amendments and additional information changed the bid submission deadline from 25 January 2023 to 1 February 2023.

February 1, 2023: Deadline for bid submission. Six bids were received from the following companies: Aqua-Engineering AGE Tetovo, BV Engineering Bitola, Badzak Engineering Skopje, SS Architect & Designer Gostivar, Labino Trade Gostivar, and NET Invest Group v. Slatino, Tearce. The public procurement commission rejected the bid from Badzak Engineering Skopje because the company failed to substantiate its prior experience. Five bidders remained in contention: SS Architect & Designer Gostivar with a bid of 6,256,297 denars (€101,728) excluding VAT, Aqua-Engineering AGE Tetovo with a bid of 9,210,375 denars (€149,762) excluding VAT, Labino Trade Gostivar with a bid of 9,820,685 denars (€159,686) excluding VAT, BV Engineering Bitola with a bid of 14,777,565 denars (€240,286) excluding VAT, and NET Invest Group v. Slatino, Tearce with a bid of 19,955,737 denars (€324,484) excluding VAT.

February 13, 2023: An e-auction was conducted. The lowest price was offered by the economic operator SS Architect & Designer DOOEL Gostivar, which had already been ranked first prior to the auction, at 5,755,793 denars (€93,590) excluding VAT. Labino Trade Gostivar was ranked second with a price of 5,818,356 denars (€94,607) excluding VAT. The public procurement commission rejected the bid from SS Architect & Designer DOOEL Gostivar on the grounds that the submitted documents failed to demonstrate compliance with the criteria for establishing capability, despite the company having previously submitted a declaration confirming such compliance.

March 9, 2023: A contract was concluded with the second-ranked bidder, Labino Trade DOOEL valued at 5,818,356 denars (€94,607) excluding VAT, or 6,865,660 denars (€111,637) including VAT.

April 27, 2023: The construction company Labino Trade DOOEL commenced work.

December 19, 2023: A report on the progress of construction activities was submitted by the supervisory body Institute for materials testing and development of new technologies ZIM Skopje AD Skopje.

December 27, 2023: The eight-month deadline stipulated for the completion of the reconstruction expired.

June 11, 2024: The supervisory body ZIM Skopje submitted a new report to the Agency for Youth and Sport, nearly six months after the initially established deadline for the completion of the reconstruction. The report stated that the completion deadline had been extended to June 27, 2024.

June 27, 2024: The extended deadline for the execution of the contract expired; a total of 14 months had passed since the construction company Labino Trade DOOEL commenced work.

November 7, 2025: A report was submitted by a new supervisory body MG Project Skopje. This report noted that "there were no construction activities whatsoever during the period from June 2025 to October 2025".

March 16, 2026: The validity of the public procurement contract expired.



Kingdom of the Netherlands

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